

# Montana Family Education Savings Program - Bank Plan Distribution Authorization Form



- Complete this form to request a full or partial Qualified or Non-Qualified Distribution from your Montana Family Education Savings Program - Bank Plan (MFESP - Bank Plan) Account. The earnings portion of a Non-Qualified Distribution from your Account may be subject to Federal income tax and the Distribution Tax (as defined in the Disclosure Statement) as well as state and local income taxes. See the MFESP Disclosure Statement (Disclosure Statement) for more information. For IRS purposes, please keep a copy of this completed form for your records as well as any receipts, invoices or other documents that substantiate Qualified Distributions. We are required to file IRS Form 1099-Q annually if you take a distribution from your Account.
- Please allow up to 30 days for processing requests for early CD redemption(s) and up to ten (10) business days for CollegeSure Honors Savings Account distributions received in good order.
- If the address to which you've requested the distribution be sent has changed, or if you have changed your banking information in the last fifteen (15) calendar days, your distribution will be held until this waiting period has been satisfied.

**NOTE:** Distributions from your Account prior to the Maturity Date of the CD in which your Account is invested may result in Early Withdrawal Penalties as described in the Disclosure Statement.

Forms can be downloaded from our website at [www.collegesavings.com/Montana](http://www.collegesavings.com/Montana), or you can call us to order any form—or request assistance in completing this form—at **800-888-2723, Monday through Friday, from 9 a.m. to 6 p.m. Eastern Time.**

Please Mail or Fax this form and any other required documents.

- **Mail: College Savings Bank, 2515 McKinney Ave., Suite 1100, Dallas, TX 75201**
- **Fax: 214-481-1289**

## 1. Account Information

Account Number			
Telephone Number		Email	
Account Owner or Custodian First Name	MI	Last Name	Social Security Number
Joint Account Owner First Name	MI	Last Name	Social Security Number
Beneficiary's First Name	MI	Last Name	Social Security Number

## 2. Type of Distribution Request (Required if requesting an EFT or Check Payment)

This request will not be processed unless one of the distribution types is selected.  
See the Disclosure Statement for more information.

- Qualified:** A qualified distribution is used to pay qualified higher education expenses for the beneficiary of the account. This generally includes tuition, fees, room and board, and the cost of books, school supplies and equipment required for enrollment or attendance of the beneficiary at an eligible educational institution; expenses for certain apprenticeship programs; and principal and interest on certain qualified education loans for a beneficiary or any of the beneficiary's siblings. Earnings portion of the distribution is not subject to federal income tax. \*Federal non-qualified withdrawals, rollovers to another state's 529 plan, a withdrawal used to pay elementary or secondary school tuition, pay registered apprenticeship program expenses, or make qualified education loan repayments are subject to recapture of any previously taken Montana state income tax deductions.
- Non-Qualified:** Funds used for expenses other than Qualified Expenses are subject to the 10% IRS Non-Qualified Distribution Penalty on any earnings. In addition, the earnings portion of the distribution is includable in computing the federal taxable income for the distributee.

3. Account Type(s)	CD at Maturity	Distribution Amount
CollegeSure <b>Honors Savings Account</b> #: _____	N/A	<input type="checkbox"/> Entire Balance <input type="checkbox"/> Other \$ _____
CollegeSure <b>CD Account</b> #: _____	<input type="checkbox"/> Yes  <input type="checkbox"/> No*	<input type="checkbox"/> Entire Balance <input type="checkbox"/> Other \$ _____ (complete Section 5)

For requests made in November/December, specify for which calendar year you are requesting the distribution here \_\_\_\_\_.  
**To avoid possible federal and/or state tax penalties, we recommend distributions be used in the same calendar year that expenses are paid.**

\* Distributions from your Account prior to the Maturity Date of the CD in which your Account is invested may result in Early Withdrawal Penalties as described in the Disclosure Statement.

\*\* Distributions from your Account prior to the Maturity Date of an InvestorSure CD is permitted on the anniversary date only.

**4. Distribution Method** (Select a payment option.)

- Check payment:** Check(s) will be made payable to the Account Owner(s), Beneficiary or Educational Institution, and mailed to the address on file for the Account Owner(s). Checks will **not** be mailed directly to the school.
  - Make check payable to Account Owner(s)
  - Make check payable to Beneficiary
  - Make check payable to Educational Institution \_\_\_\_\_  
for account of (FAO) Designated Beneficiary. *Name of Educational Institution*

- Electronic Funds Transfer (EFT) payment:** Transfer funds to another Domestic (U.S.) institution payable to the following recipient. **Note:** An Electronic Funds Transfer can **only** be made to the Account Owner or Beneficiary on record.
  - Make transfer payable to the Account Owner(s)
  - Make transfer payable to the Beneficiary

**Bank Account Information:** Please provide bank account information requested below. We suggest you confirm the bank's ability to accept these transactions and inquire about any bank fees.

--	--

Financial Institution Name

Bank Account Owner(s)

- Checking Account
- Savings Account

--	--	--	--	--	--	--	--	--	--

**9-digit bank ABA Routing Number**

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**Bank Account Number (up to 16-digits)**

## 5. Reinvestment Option

If you are not withdrawing the entire balance of this year's maturing CD(s), specify below how you would like to reinvest the funds remaining in your Account. You will need to complete another Distribution Authorization Form each time additional funds are needed. A description of reinvestment options can be found at [www.collegesavings.com](http://www.collegesavings.com). Reinvestments other than those identified in the Disclosure Statement as the default actions, could be considered your once per calendar year investment change.

Account Type(s)	Reinvestment Amount
Savings Account: _____	<input type="checkbox"/> Entire Balance <input type="checkbox"/> Other \$ _____

**Please Note:**

In the event that a completed Distribution Authorization Form is not received by within the allotted time, we will take the following default action without exception:

- The maturing funds will be held in a CollegeSure Honors Savings Account which earns a variable interest rate at the CD maturity date until you provide us written instructions for action.

Alternatively, you may choose amongst the following options:\*

- Transfer your funds to an Achieve Montana account, which will result in the loss of FDIC coverage. Complete a Rollover Form available at [www.achievemontana.com](http://www.achievemontana.com).
- Rollover your funds to a 529 plan sponsored by another state, including plans which offer FDIC insured 529 products. Such a rollover may result in the loss of FDIC coverage.
- Take a non-qualified distribution from your Account.

For more information on your default and/or alternative options, please call our customer service department at **800-888-2723**.

*\*Any actions other than the default action described above or taking a qualified or non-qualified distribution will be considered one of your twice per calendar year investment changes pursuant to Section 529 of the Internal Revenue Code. 529 plans may charge fees for investing in the plan. In addition, there could be tax implications to a rollover into a 529 plan sponsored by another state. Non-qualified distributions may be subject to federal and Montana state income tax, a 10% federal penalty tax and recapture of some or all of any Montana state income tax deduction claimed for prior taxable years. See the Bank Plan Disclosure Statement for additional information.*

## 6. Signatures (Required)

If the Account is an UGMA/UTMA, the Custodian should sign below and write "custodian" after his/her name. Signatures are matched against the signature provided on the original Enrollment Form. If any signature does not match and/or a signature was not provided at enrollment, a signature guarantee is required. Do not sign below until you are in the presence of an authorized officer of a bank, broker, or other qualified financial institution. The guaranteeing institution is financially responsible if the signature is not genuine. A notary public cannot provide a signature guarantee, nor can you guarantee your own signature. The lack of a required signature guarantee could delay this distribution.

If the source account is a Custodian (UGMA/UTMA) account, I certify that I am the custodian of the account and that the transfer is necessary for the welfare of the beneficiary. Furthermore, if the account is owned by a trust, organization or corporate entity, I certify that I am authorized to act on its behalf in making this transfer.

I certify that I have read and understand, consent and agree to all terms and conditions of the Disclosure Statement and understand the rules and regulations governing distributions from my MFESP-Bank Plan Account. I also certify that under penalty of perjury that all information contained herein is complete and correct, including the Taxpayer Identification Number or Social Security Number(s) set forth on this form. I understand that distributions from my Account prior to the Maturity Date of the CD in which my Account is invested may result in Early Withdrawal Penalties as described in the Disclosure Statement.

--	--

Signature of Account Owner or Custodian

Date

--	--

Signature of Joint Account Owner

Date

Signature Guarantee for  
Account Owner or Custodian

Signature Guarantee for  
Joint Account Owner